



# Texas School Alliance

Finance Plan for 2018-2019 Biennium

# TSA School Finance Guiding Principles



- Growth in the property tax base should be used to increase support for public education, not to reduce state support
- The current funding levels are inadequate and should be enhanced immediately
- The system should be simplified whenever possible
- The Legislature should fulfill its obligations to biennially study and report the equalized funding elements for public school finance, as expressed in Texas Education Code §42.007

# Tier 1



- Increase the Basic Allotment by about 6% to \$5,455
- Simplify the Tier 1 structure by folding the funding for gifted/talented allotment, high school allotment, and staff salary allotment into the basic allotment
  - These allotments are relatively uniform across all districts
- Implement an updated Cost of Education Index
- Maintain the current multi-tier FSP structure

# Tier 2



- Link the Tier 2 Level 2 yield to the 88<sup>th</sup> percentile of property wealth per weighted ADA
- Expand the Austin yield zone to 8 pennies
- Allow access to all Austin yield zone pennies without an election

# Chapter 41



- Increase the equalized wealth level applicable to compressed taxes to \$545,500 (linked to basic allotment)
- Increase the equalized wealth level applicable to taxes in the Tier 2 Level 2 zone to the 88<sup>th</sup> percentile (linked to Tier 2 yield)
- Expand recapture-free zone to 8 cents
- Provide for a credit against recapture for the transportation allotment in the same manner as NIFA

# Other



- Repeal the 1992-93 hold harmless provisions for Chapter 41
- Maintain the repeal of ASATR
- Phase in other revisions to funding elements:
  - Weights for special programs
  - Yields for Instructional Facilities Allotment and Existing Debt Allotment
  - Adjust for reasonable annual increases in the cost of services outside the control of school districts